

**Governor's Logistics Task Force
Regional Hub Design Subcommittee Meeting
NC Department of Transportation
Raleigh, NC
December 2, 2010**

Minutes

Chairman John Atkins was unable to attend due to business travel, and asked Dan Danieleley to chair the meeting. Danieleley called the meeting to order at 12:10 p.m.

Additional subcommittee members in attendance were Tom Eagar, David Willauer, David Congdon, and Joe Stephens.

Additional attendees included Roberto Canales, Seth Palmer, Mustan Kadibhai, George List, Larry Goode, Bob Foyle, Alix Demers, Stephanie Ayers, Laura Blair, Richard Wiley, Virginia Mabry, Derrick Lewis and Charlie Diehl.

Upon a motion by Tom Eagar and a second by David Willauer, the minutes for the October 12th meeting were unanimously approved.

Dr. George List presented an update on the Seven Portals Study. The research team began the study in September, and has moved at a very fast pace by academic standards. They are working to assist future decisions by viewing this as a real estate/economic developer –type assessing the state's transportation needs and opportunities.

A copy of the PowerPoint presentation used by Dr. List is attached to these minutes. The presentation included information on needs assessments, illustrative sites (villages), state level issues, international issues, and village characterization.

Dr. List gave preliminary reports for each of the seven regional investigations, including regional strengths and weaknesses and illustrations of potential logistics villages. Each regional team will be presenting their findings to date to the full Logistics Task Force on December 15th. Updated reports will be presented to the Regional Hub Design Subcommittee in February for further comment and guidance. The Seven Portals Study's final report is due to the Task Force in March. List added that today's information will be at its broadest level, with the respective regional reports narrowing in focus from here.

In reviewing the potential village's illustrations, David Congdon stated that weighted priorities with scores and corresponding dollar amounts that would be needed for upgrades would be helpful for the Task Force to make recommendations to the General Assembly and the Governor. Tom Eagar stated that a conceptual decision will be needed at some point to determine exactly what is needed in this process. Of primary importance is: "What will the customer want?" There is no need to move forward on initiatives if the private sector won't be attracted.

David Willauer and David Congdon stated that we have an opportunity to establish identity, in that we are branding ourselves as a state. Congdon stated further that North Carolina should capitalize on its central east coast location and be identified for a maximized role in global commerce and logistics. 90% of global commerce travels by ship, and coastal access is crucial for expanded participation in global commerce.

Tom Eagar stated that we need to be able to quantify global commerce is lost to the state through other ports. North Carolina needs to recapture some of the 80% of this state's container traffic that goes through Norfolk, Charleston, or Savannah. Congdon added that creating a deepwater port in North Carolina that could accommodate the larger vessels expected on the east coast following the 2014 Panama Canal expansion could improve the state's retention of container business.

Joe Stephens suggested that North Carolina's strategic plan should draw on the different, but successful, case studies provided by Alliance, Texas and Plainfield, Indiana.

Dan Daniele mentioned that the Best Practices subcommittee is investigating successful inland ports and other multi-modal freight facilities, and has visited the Port of Virginia in Norfolk.

Roberto Canales commented that all of these are valid points, and that the Seven Portals Study has been asked to identify what our opportunities are. It is not likely in this economy that starting facilities from scratch is a realistic option. The state might, however, be able to build on some things already in place to attract those interested in developing. There probably won't be the opportunity to provide everything to everybody, but this process can help us focus the investments that North Carolina is able to make.

The subcommittee discussed both the timing of its decision-making process for offering recommendations, and also the importance of hearing the remaining outreach meeting information – particularly the upcoming agricultural and military economic impact/opportunity discussions.

Respectfully submitted,

Charlie Diehl
Subcommittee staff